

The book gives a careful analysis of the impact of the NEP on the industrialization policy, the role of the Free Trade Zones, and the employment generation of the industrialization strategy. It does not, despite its title, give much attention to the effects of the industrialization on the labour processes. The book also discusses the problems and prospects for the Malaysian economy as it faces the recession of the mid-1980s.

On this last point contributors are, as a whole, gloomy about the prospects for the Malaysian economy to sustain anything close to the rate of growth of recent years or to overcome the structural problems which have resulted from the strategy of export-oriented industrialization of the seventies. Yet the contributors seem to have failed to anticipate two major developments in the international economy in the eighteen months since the papers were finalized. The first is the dramatic rise of the yen and the consequent repercussions on the industrial relocation strategies of Japan and other developed countries. The second is the return to an upward trend in oil prices. Perhaps it is unfair to criticize the contributors for failing to foresee these important influences on the Malaysian economy. Yet the extent to which they invalidate many of the authors' predictions of the future indicates how vulnerable Malaysia remains to externally generated influences, and how rapidly these influences can change.

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***Energy Policy Experience of Asian Countries.* By Asian Development Bank. Manila: ADB, 1987. Pp. 186.**

This collection of nine papers prepared by energy experts includes analyses on Bangladesh, India, the Republic of Korea, Nepal, Pakistan, the Philippines, Sri Lanka, Republic of China (Taipei), and Thailand.

The book aims to review the responses of the nine countries to the two oil crises of 1973 and 1979 and to discuss the energy policy issues facing these countries in the late 1980s. It describes the past energy demand, supply, trade and energy intensities, changes in macro-economic energy relationships and various policy measures adopted by the countries in the region in response to the two oil crises. Demand management policies are discussed in greater detail. The book also discusses the policy choices that must be made in a period of uncertain international oil prices. The experience of Japan's energy policy is also provided for the purpose of comparison. Since the responses of different countries to the two oil crises were different, the countries studied were divided into three groups — the low-income group (Bangladesh, India, Nepal, Pakistan, and Sri Lanka), the lower middle-income group (the Philippines and Thailand), and the high and upper middle-income group (Republic of Korea and Republic of China) — for the analysis.

Countries of the Asian region have recorded high economic growth over the last two decades. The high economic growth was followed by high growth in energy demand. In future, both the economy as well as the energy consumption in most of the countries in the Asian region are expected to grow at a faster rate than that of most countries of other regions. Interest in the Asian energy situation is growing. However, on the other hand there is a lack of books that give comprehensive analyses of policy responses of developing countries and that explain what policy alternatives are available that may improve market response.

In providing a comprehensive analysis of energy policy experience of some selected Asian countries, this book should prove to be a significant addition to the literature on energy policies of developing countries. It is useful not only to the researcher but also to planners and policy-makers of developing countries.

However, there are a few shortcomings in the book. The title itself is misleading. The book does not analyse the energy policy experience of

energy-exporting countries. Efficient and effective energy pricing policies, demand management, and conservation policies are equally important for increasing energy export potential for the oil exporting countries. Also, the breadth of the topics covered in the book is wide and is at the expense of depth. One of the policy reactions of the oil importing countries of the oil shock was to increase the domestic energy supply. Investments for oil and gas exploration were increased and development activities of renewable resources were intensified. Very little attention to this aspect is given in the book. Similarly, how the energy rationalization policies were carried out in the countries studies has not been discussed in detail. This could be due to the lack of data.

Nevertheless, the book is a valuable contribution for those interested in the energy programme and policies of the oil-importing developing countries.

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***The Philippine State and the Marcos Regime: The Politics of Export.* Gary Hawes. New York: Cornell University Press, 1987. Pp. 196. US \$27.50.**

This is a book of five chapters. Creation of the Philippine Political Economy is discussed in the first chapter. The economic and political importance of the coconut, sugar, and fruit products industries is the theme of the next three chapters. The fifth chapter is about the state and regime in the Philippines context.

To explain the particular path of economic and social progress of the Philippines, the author emphasizes three broad historical trends or turning points: the emergence of a landholding élite, the diversification of the élite after World War II, and the breakdown of élite cohesion in the 1960s.

The landholding élite emerged in the Spanish colonial era and flourished under U.S. rule during 1898–1946. The landlords, like the industrial investors of modern times, looked for stable governments so as to preserve their property interests. American rule had two major impacts: development of free trade between the United States and the Philippines, and the evolution of a democratic system of government dominated by the landholding élite at the time of independence in July 1946. World War II, however, destroyed the economy and to obtain economic assistance from the United States, the Philippines Trade Act of 1946 had to be legislated in order to promote free trade between the two countries and the flow of capital from the United States. These reconstruction measures strengthened the primary export sector of the Philippines and ensured the economic progress of the large landholders. In addition to the strong economic and political relationships, in 1947, the United States and the Philippines entered into the military bases agreement (due to expire in 1991).

By the late 1940s, however, the Philippines found itself in a new economic crisis. The Philippines leadership imposed import restrictions in 1949 and exchange controls in 1950. These and the high tariffs enacted in 1957 ushered in a decade of import-substituting industrialization. They also established new profit opportunities outside the traditional agricultural arena, and the economic élite diversified. Moreover, the central government in Manila became very powerful, with numerous controls and regulations, and several technocrats occupying important decision-making roles. The 1950s and 1960s also saw a rising wave of nationalism.

Diversification of economic élite, growth of the needs of central decision-making, and the rising nationalist sentiment contributed to a breakdown of élite cohesion in the 1960s. The economic and political scene further changed when Marcos declared martial law in 1972. Economic incentives shifted dramatically in favour of exporters and foreign investors.